

## Message Text

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PAGE 01 STATE 106305  
ORIGIN EB-07

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FM SECSTATE WASHDC  
TO USMISSION OECD PARIS PRIORITY

C O N F I D E N T I A L STATE 106305

EXCON

E.O. 11652: XGDS-1

TAGS: ESTC, COCOM

SUBJECT: REPORTED SALE OF FRENCH CNC MACHINE TOOLS TO USSR  
--IL 1091

REF: OECD PARIS 7530

1. ALTHOUGH WE HAVE RECEIVED NO FURTHER REPORT ON  
REACTION THREE OTHER MEMBER COUNTRIES TO SUGGESTION FOR  
JOINT APPROACH TO FRENCH ON GSP FORREST MATTER, WE ARE  
WONDERING WHETHER THIS WOULD NOT BE GOOD OPPORTUNITY PURSUE  
MATTER FURTHER IN VIEW PRESENCE TECHNICIANS FOR DISCUSSIONS  
OF IL 1091. PROVIDED USDEL SEES NO OBJECTION AND THAT TIME  
PERMITS USDEL AND KRATZ THEREFORE INSTRUCTED APPROACH OTHER  
DELEGATES (GERMAN, UK AND NORWEGIAN) TO DETERMINE WHETHER  
THEY WOULD BE WILLING AT THIS TIME TO TAKE MATTER UP WITH  
FRENCH DELEGATION. IF SO, YOU ARE AUTHORIZED MAKE JOINT  
APPROACH TO FRENCH. PURPOSE OF APPROACH IS NOT TO  
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CASTIGATE ANYONE BUT TO DETERMINE FACTS OF THIS MATTER FROM  
THE FRENCH. IF FRENCH ARE UNABLE OR UNWILLING PROVIDE FACTS  
WE WILL HAVE TO RE-EXAMINE SITUATION TO DETERMINE WHAT  
FURTHER ACTION TO TAKE. THIS COULD INCLUDE JOINT  
MEMORANDUM BY OURSELVES AND OTHER CONCERNED DELEGATIONS  
EITHER DIRECTLY TO FRENCH OR TO FULL COMMITTEE.

2. IN THE MEANTIME WE HAVE RECEIVED FURTHER REPORT OF GSP FORREST SALES OF NUMERICALLY CONTROLLED MACHINE TOOLS TO THE USSR WHICH USDEL MAY WISH TO BRING TO THE ATTENTION OF OTHER DELEGATES AND TO FRENCH. ON APRIL 18 THE SWISS PUBLICATION ECOTASS REPORTED THE FOLLOWING:

(16/4) "RATIER-FOREST": DELIVERIES OF MACHINE-TOOLS TO THE SOVIET MARKET

"RATIER FOREST" HOPES TO REMAIN FRANCE'S MAJOR SUPPLIER OF MACHINE TOOLS TO THE SOVIET MARKET, A TASS CORRESPONDENT HAS BEEN TOLD BY RENE POINCENOT, DIRECTOR GENERAL OF THE FIRM. HE WAS IN MOSCOW ON THE OCCASION OF THE "RATIER FOREST'S" PARTICIPATION IN AN EXHIBITION OF FRENCH-MADE MACHINES WITH A STATIONARY FRAME, MILLING AND GRINDING MACHINES WITH DIGITAL PROGRAMME CONTROL, UNIVERSAL MACHINES FOR GRINDING SURFACES OF REVOLUTION.

THE GROWING TRADE TIES BETWEEN THE FIRM AND THE SOVIET UNION, RENE POINCENOT BELIEVES, CREATES CONDITIONS FOR THE DEVELOPMENT OF OTHER FIRMS OF CO-OPERATION: JOINT SCIENTIFIC-TECHNICAL DEVELOPMENTS AND CO-ORDINATION OF PRODUCTION. "RATIER FOREST" ALREADY HAS EXPERIENCE OF SUCH RELATIONS, SPECIFICALLY IN BULGARIA AND HUNGARY.

IN 1976 "RATIER FOREST" SUPPLIED THE SOVIET UNION WITH A TOTAL OF 130 MILLION FRENCH FRANCS WORTH OF MACHINE-TOOLS, ROBERT VITRAT, COMMERCIAL DIRECTOR OF THE FIRM SAID. THE SOVIET "STANKOIMPORT" PURCHASED 9 BORING-MILLING

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MACHINES FOR MACHINING LARGE-SIZE PARTS. UNDER CONTRACTS WITH "AVTOPROMIMPORT" THE FIRM SOLD IT TWO PLANE-MILLING MACHINES TO HANDLE LARGE-SIZE PARTS AND ONE PLANE-MILLING MACHINE WHICH HANDLES PARTS OF EQUIPMENT FOR ATOMIC ENGINEERING.

"RATIER FOREST" HAS SECURED SOVIET ORDERS FOR 4 SPECIAL MACHINES TO MAKE SCREW PROPELLERS FOR SHIPS AND TEN MACHINES FOR MACHINING BLADES. THE FIRM "G.S.P.", THAT MERGED WITH "RATIER FOREST", WILL SUPPLY THE USSR WITH 21 MACHINING CENTERS.

"RATIER FOREST" IS NEGOTIATING IN MOSCOW THE DELIVERY OF MACHINES FOR SOVIET ENTERPRISES OF THE AUTOMOBILE-BUILDING INDUSTRY, ROBERT VITRAT SAID. A POSSIBLE DEAL WILL BE WORTH ABOUT 70 MILLION FRANCS. CHRISTOPHER

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